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Chairman: Mr. MacKay ..... (New Zealand)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Kuznetsov

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(n) **Capital master plan** (*continued*) (A/59/161)

1. **Ms. Chen** (Canada), speaking also on behalf of Australia and New Zealand, said that the reports of the Board of Auditors were valuable, but the serious delay in making them available had prevented the members of the Committee from putting them to full use.

2. The situation which had prevented the Board from expressing an audit opinion on the accounts of the United Nations Office for Project Services (UNOPS) was of great concern. She wondered what action had been taken to implement the Board's recommendations, and expressed keen interest in the three-phase "workout" plan which UNOPS had proposed.

3. She was disturbed that substantial end-of-service liabilities remained unfunded and called for corrective action through long-term financial plans, especially in organizations which depended heavily on voluntary funding, as the General Assembly had requested the Secretary-General to make proposals to address the issue in 2003, but the expected report had not been presented. She would like the representative of the Secretary-General to indicate when that would happen. She also shared the concern expressed by the European Union at the previous meeting (A/C.5/59/SR.10) that opinions regarding a number of funds and programmes had been modified.

4. Two years previously, the Board had recommended that the Organization should improve its internal audit capacities in the field of information and communication technology (ICT), but it appeared that nothing had been done. The delay was regrettable, and the Office of Internal Oversight Services (OIOS) should give the matter the priority it deserved. Implementation of large ICT systems was risky and the delegations she represented supported the Board's recommendation for a comprehensive system-wide review to improve coordination of efforts and would

welcome further details of how such a review could be conducted.

5. The Board's recommendations must be implemented systematically. Although implementation had improved, with the Office of the United Nations High Commissioner for Refugees (UNHCR) in particular having acted to address the Board's concerns, senior management should establish firm deadlines and monitoring procedures to ensure that recommendations not yet implemented were followed through in a structured way.

6. At the fifty-seventh session of the General Assembly, the Secretary-General and the executive heads of funds and programmes had been asked to examine governance structures, principles and accountability. That had not happened, and the Secretary-General was therefore urged to fulfil that request in order to help Member States ensure that governance and accountability arrangements, practices and methods corresponded to current needs and good institutional practice.

7. **Ms. Lock** (South Africa), speaking on behalf of the African Group, expressed appreciation for the Board's efforts to ensure adherence to the principles of fair presentation and full disclosure of financial statements and welcomed both the improved structure of its reports, which it was seeking to streamline in accordance with General Assembly resolution 57/278, and the greater clarity and transparency of its observations and recommendations.

8. The Group noted the relatively low implementation rate for the recommendations made by the Board for the period ending 31 December 2001 and the recurrence of a number of recommendations made in previous audits and called for responsibilities to be established and achievable time frames for implementing recommendations determined. The United Nations and its funds and programmes should take concrete action to implement the recommendations of their oversight bodies and inform their governing bodies of any constraints which might hamper that task.

9. The African Group welcomed the efforts of the Board, in accordance with General Assembly resolution 47/211, to highlight the common themes in the audits of the 16 organizations concerned and concurred with the Advisory Committee on Administrative and Budgetary Questions (ACABQ) that further examination of cross-cutting issues could lead to more streamlining of the Board's reports and to greater benefits from its concise summary of principal findings, conclusions and recommendations (A/59/162).

10. The Group had been encouraged by the Board's assurances that the financial statements had been consistent with the United Nations system accounting standards and by the Administration's efforts to improve presentation of those statements. It also welcomed the progress made in reviewing and cancelling prior unliquidated obligations in the financial statements for technical cooperation activities that were no longer valid and in writing off losses of cash, receivables and property. It looked forward to similar progress in the areas which the Board had highlighted in paragraphs 36, 47, 52 and 62 of its report (A/59/5, Vol. 1).

11. The Group recognized recent efforts to coordinate ICT activities across the United Nations system, but joined the Advisory Committee in advocating a comprehensive and system-wide coordination initiative for that field. It also welcomed the recommendations for greater joint procurement, post-implementation benefit audits, efforts to ensure implementation of information security policies and improved ICT audits, costing and staff training.

12. Like the Advisory Committee, the Group welcomed the Board's more frequent practice of expanding performance audits. It viewed with satisfaction the increase in the average rate of delivery of programmed outputs and noted the termination of certain outputs. All mandated programmes must be monitored, adjusted if necessary, and fully implemented in accordance with the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation (PPBME). The Group would welcome assurances that inputs had been terminated in accordance with regulation 5.6. It agreed with the Board and the Advisory Committee that raw comparison of statistics provided no meaningful information on the delivery of outputs.

13. The Group supported the recommendations aimed at ensuring the independence of personnel involved in procurement activities, fully implementing the code of ethics, sharing best practices among United Nations

entities, evaluating the performance of suppliers, improving training of staff, increasing the vendor database and avoiding delays in procurement. It would return to the findings contained in paragraphs 226 to 229 of the report of the Board (A/59/5, Vol. 1) when the Committee considered procurement reform under agenda item 107 (Review of the efficiency of the administrative and financial functioning of the United Nations).

14. The Administration should address the structural and management weaknesses identified by the Board in the area of human resources management in order to achieve the objectives identified by the General Assembly. The Group had been encouraged to note that the priority and perspective conferred by senior management on training and staff development were generally in conformity with international best principles and practices.

15. Finally, the Group agreed with the Advisory Committee that the oversight bodies' coordination and collaboration in the planning of audit activities was positive and would promote optimal use of audit resources, complementarity of efforts and wider coverage of audit areas. It had been concerned to note that none of the organizations had taken steps to address the request made by the General Assembly to the Secretary-General and the executive heads of the funds and programmes, in paragraph 6 of its resolution 58/278, to examine governance structures, principles and accountability throughout the United Nations system. The Administration should expedite that review.

16. **Mr. Ganbour** (Libyan Arab Jamahiriya) said that the Board played an important role in evaluating programme performance, identifying financial inadequacies in the funds and programmes and gauging compliance with the accounting standards adopted for the United Nations system. He welcomed the recommendations of the Board and the Advisory Committee regarding financial statements, and urged that implementation of those which had not yet been fulfilled should be expedited. The delay in issuing the financial reports for some organizations, agencies, funds and programmes was regrettable, as was the deterioration in their financial situation. The available funds must be spent appropriately.

17. **Mr. Park** Yoon-June (Republic of Korea) commended the Board for the long hours it had spent preparing the reports during the 2002-2003 audit cycle. He fully supported the Board's findings, but was deeply concerned that, although the reports had been submitted on time in July 2004, they had been distributed late. An explanation was needed for the delay.

18. By May 2004, 171 of the Board's recommendations for the biennium 2000-2001 had been implemented, but 177 were still in the process of being implemented and 28 had remained unimplemented. If the United Nations and its funds and programmes implemented all of those recommendations, the United Nations system would not only have become more efficient by applying best practices and best governance principles to its operations, but it would have saved precious financial resources. His delegation wished to know the reasons for that backlog.

19. As 23 United Nations entities had spent $700 million in direct expenditure on ICT over two years, his delegation concurred with the Board that a system-wide initiative should be undertaken to coordinate ICT strategy and developments and that the Organization should adopt a uniform methodology for determining the total cost of ICT. It would like to know what progress had been made regarding the recent decision of the Chief Executives Board for Coordination to coordinate ICT activities across the United Nations system.

20. His delegation was concerned that future end-of-service and post-retirement liabilities exceeding $3 million had remained unfunded at the end of 2003 and wondered how the Administration intended to resolve the issue. In addition, noting that the Board had repeatedly urged the Administration to review inactive trust funds, currently numbering 63 and amounting to $54 million, it wondered what had prevented their closure.

21. His delegation was also disturbed that some United Nations organizations had not provided the Board with the information it required, forcing it to issue unqualified opinions without first reviewing all of the necessary data. For example, there were inadequate inventory records to track non-expendable equipment, which, as at 31 December 2003 were valued at nearly $1.1 billion. It also wished to know who was responsible for the failure of some organizations to pay attention to the Board's recommendations.

22. Lastly, he wished to know what action the Secretariat would take after hearing the details in the presentation of the Chairman of the Board of Auditors (A/C.5/59/SR.10) on the strange behaviour and serious management irregularities under the former Director of the Investment Management Service of the United Nations Joint Staff Pension Fund (UNJSPF).

23. **Mr. Terzi** (Turkey) said that accountability was the cornerstone of all financial reporting for the United Nations system and proper governance required control and accountability for the resources entrusted to its organizations.

24. His delegation had been concerned to see that the Board had been unable to provide an unqualified opinion for 4 of the 16 organizations audited, meaning that their financial statements had not been presented fairly and in accordance with the reporting framework in all material respects. The Board conducted not only financial statement audits but also operational and compliance audits. The audits had revealed almost system-wide deficiencies in the areas of good governance, internal control systems, common and comprehensive accounting and financial disclosure standards, clear rules and regulations, harmonized implementation, transparency and accountability, compliance with existing rules and regulations, and enforcement of the content of audit reports. There must be an institutional, rationalized system with clear rules and accountability, as, without such a system, individuals and individual policies might take control and create unprecedented risks. The Board's reports had also revealed serious deficiencies in management practices. Many of its observations and recommendations had been made in previous years, but few improvements had occurred. Even where irregularities had been found, no action had been taken to ensure accountability.

25. The environment he had just described left organizations open to many risks. Systemic problems required an integrated approach and organizational restructuring. Thought should therefore be given to system-wide corporate governance principles, system-wide revision of detailed accounting and financial disclosure standards and system-wide basic management practices. Organizations should modify and adjust their structures, create checks and balances and harmonize practices and policies to ensure their coherent and rational implementation.

26. The need to reflect on what to do should not be taken as an excuse for doing nothing. Every organization had at its disposal detailed reports, findings and recommendations, and should act on them. There was also a need for evaluations to assess the impact of policies and projects against medium- and long-term goals and expectations.

27. **Mr. Fakie** (Chairman of the Board of Auditors) said that the Board remained committed to contributing to accountability and good governance in the United Nations and its funds and programmes. It shared the concerns of the members of the Committee at the late issuance of its reports, which had been submitted before the July 2004 slot dates. The representative of the United States of America had asked the Board to express its views on how to address the situation. He could only suggest that the Administration should identify the causes of the delay and take appropriate action to prevent it from recurring.

28. The Board had also noted the comments made by the members of the Committee and by the Advisory Committee regarding the rate of implementation and impact of its recommendations. It would continue to help management, which was responsible for assessing the impact of the recommendations, by enhancing their format and monitoring their follow-up. It welcomed the positive reaction of the members of the Committee and the Advisory Committee to its concise summary of principal findings, conclusions and recommendations (A/59/162) and it would continue to identify cross-cutting themes and to streamline its reports so that Member States could draw the maximum possible benefit from the individual reports and the summary report.

29. The representative of Turkey had expressed concern about 4 of the 16 reports, but he wished to point out that the Board had been unable to express an audit opinion only in the case of UNOPS. In the case of the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA) and the United Nations International Drug Control Programme (UNDCP), it had issued unqualified opinions and added emphasis of matter paragraphs. The Board was willing to examine whether the remedial action for UNOPS was sufficient, as the European Union had suggested (A/C.5/59/SR.10), provided such an assessment did not affect the Board's independence or exceed its mandate, and provided it respected the responsibilities of the Board, the

Advisory Committee and the Administration. The European Union had also called for a greater focus on ICT. The Board had already devoted substantial attention to the matter and would continue to do so in its audits for the biennium 2004-2005, though additional resources might be required to cover the cost of specialized expertise.

30. The representative of the United States of America had expressed concern regarding the implementation of the mandate of OIOS, as set out by the General Assembly in its resolution 48/218 B, and particularly about whether OIOS reports were submitted to the General Assembly unaltered. The Board had not considered that issue to be a great risk and therefore had not included it in its review of OIOS. However, OIOS could be covered at greater length in informal consultations. The Board would do what it could to address the expectations of Member States, provided they were within the scope of its mandate.

31. **Mr. Halbwachs** (Controller), responding to questions about the financial reports and audited financial statements of the United Nations, acknowledged that further efforts must be made to close inactive trust funds in a timely manner but noted that his Office had made progress in that regard over the previous year. More often than not, delays occurred at the reimbursement stage because donors failed to respond to the Secretariat's communications. A new approach had therefore been adopted whereby, in the absence of specific instructions from donors, their share of unspent balances would be returned in the form of a cheque.

32. With regard to the absence of cash-flow forecasting, the Secretariat still had doubts about the usefulness of that technique, since accurate estimates could be made only if contributions were received in a timely and predictable manner. However, the Treasury would reconsider the Board of Auditor's recommendation.

33. There had been no serious managerial breach in the area of investment policy at the United Nations Office at Geneva, since all investment activities were conducted in accordance with the relevant official policy guidelines. Twenty-two per cent of the total balance of the portfolio belonged to the Staff Mutual Insurance Society and was invested in accordance with guidelines adopted by the Executive Committee of that Society. The remainder of the balance, consisting of donor contributions, was tied up in short-term investments, the majority of which were placed in an investment pool in order to increase liquidity.

34. The Secretariat shared the concern about unfunded end-of-service and post-retirement benefit liabilities and was currently preparing a report on that question, which would be available in early 2005. With reference to the presentation of accounts, all United Nations organizations, funds and programmes adhered to the United Nations system accounting standards, which allowed for some flexibility in order to reflect the particular characteristics of individual organizations. Nevertheless, the Task Force on Accounting Standards would continue to review the possibility of further harmonization.

35. **Ms. Mabutas** (Director of the Office of the Under-Secretary-General for Management), responding to a number of queries about action taken on General Assembly resolution 57/278, said that UNDP had taken the question of governance structures, principles and accountability to the High-Level Committee on Management, which had agreed on a number of concrete actions and had scheduled consultations with the Board of Auditors.

36. The Office of the Under-Secretary-General for Management was responsible for monitoring the implementation of the recommendations of the Board of Auditors by gathering relevant information from the funds and programmes. It was currently exploring ways of streamlining that process, including its possible automation.

37. With reference to the financial situation of UNOPS, the Office was in the process of developing a specific work programme to address the concerns raised by the Board of Auditors.

38. **Mr. Terzi** (Turkey) reiterated that, to his mind, the addition of emphasis of matter paragraphs to the unqualified opinions issued in respect of UNDP, UNFPA and UNDCP meant that the respective reports had been modified and, therefore, that the relevant financial statements had not been fairly presented.

39. **Mr. Repasch** (United States of America) said that, while his delegation supported the introduction of a new system to expedite the closure of inactive trust funds, further clarification was needed about investment policy at the United Nations Office at Geneva, as there seemed to be a discrepancy between

the Board's conclusions and the view of the Controller in that respect.

40. As far as internal oversight was concerned, independence was crucial to the successful implementation of the mandate of OIOS and his delegation therefore wondered how the Board had been able to conclude that the amendment of its reports by the Secretariat was not a high-risk issue. His delegation was particularly interested in the issue of accountability as it related to individuals. The results of the recent integrity perception survey had shown that staff members were also concerned that high-level Secretariat officials were not held accountable for their actions. For instance, a few years previously, an individual working for the United Nations Conference on Trade and Development (UNCTAD) had been brought to justice for stealing large sums of money from the Organization while his supervisor had not been subject to any disciplinary action and had subsequently been promoted. In that connection, his delegation wished to know whether the Accountability Panel, set up by the Secretariat to respond to similar situations, had been involved in more recent cases.

41. **Ms. Mabutas** (Director of the Office of the Under-Secretary-General for Management) recalled that the Accountability Panel had been established in 2002 and was chaired by the Deputy Secretary-General. After holding a number of meetings, the Panel had concluded that it needed to strengthen its terms of reference and a proposal to that effect had been transmitted to the Secretary-General. It was hoped that the Panel would enhance its effectiveness by looking at cross-cutting, system-wide issues, reviewing the modalities of the delegation of authority and implementing peer reviews at the highest level.

Agenda item 113: Scale of assessments for the apportionment of the expenses of the United Nations (*continued*) (A/59/11 and A/59/67)

42. **Mr. Al-Ansari** (Qatar), speaking on behalf of the Group of 77 and China, noted with concern that many members of the Group had been negatively affected as a result of the application of the current scale methodology. Future reports of the Committee on Contributions should contain concrete proposals for measures to avoid substantial increases in developing countries' assessments. The main principle of the relevant methodology must be Member States' capacity to pay.

43. Multi-year payment plans should remain a voluntary tool used to help Member States pay their arrears and must not be used to pressure Member States or in connection with the grant of waivers under Article 19 of the Charter. With reference to the latter, the Group was concerned about a number of recommendations in the report of the Committee on Contributions that contained substantive discussions and requested the Committee to be guided by its mandate as a technical body.

44. **Mr. Kramer** (Canada), speaking also on behalf of Australia and New Zealand, welcomed the progress made in developing an appropriate method for calculating price adjusted rates of exchange (PAREs) for use when market exchange rates (MERs) did not offer suitable conversion rates for the calculation of the scale of assessments and urged the Committee to finalize the methodology of relative PAREs at its next session.

45. The General Assembly had been struggling for some years to develop measures to encourage the payment of arrears and the timely payment of assessed contributions. The report of the Committee on Contributions (A/59/11) offered a positive solution to the problem, namely, the apportionment of interest income to Member States that paid their assessments within a specified time period.

46. He accepted the Committee's conclusion, expressed in paragraph 14 of its report, that it would not be feasible to elaborate more specific standard criteria to guide the consideration of requests for ad hoc adjustments of rates of assessment. However, last-minute, oral applications for exemptions under Article 19 of the Charter made on the floor of the Fifth Committee undermined a carefully calibrated system for the review of applications by the Committee on Contributions.

47. **Mr. Nikitov** (Ukraine) welcomed the exchange of ideas on the scale methodology that had taken place at the sixty-fourth session of the Committee on Contributions and supported the Committee's conclusion that stability in the scale methodology should be promoted. With regard to the possibility of developing systematic criteria for deciding when MERs should be replaced with PAREs, he took the view that PAREs should be applied only in specific cases involving the correction of other indexes. Lastly,

multi-year payment plans should remain voluntary and should not be automatically linked to other measures.

48. **Mr. Tai** (Jordan) endorsed the comments made by the representative of Qatar regarding capacity to pay, which, if used as the main criterion for calculating the scale of assessments, would greatly facilitate the ability of developing countries to pay their assessed contributions on time, in full and without conditions.

49. His delegation supported the view expressed by the Committee on Contributions in paragraph 5 of its report. The scale methodology should be sufficiently flexible to accommodate future economic trends, thereby reflecting Member States' purchasing power at any given moment. The Committee's decision to pursue discussions on the concept of relative PAREs was a welcome development and his delegation would be grateful for more information in that regard.

50. Member States must make every effort to comply with their financial obligations to the Organization by paying their assessed contributions in full, on time and without conditions. When compelling economic, political and social circumstances prevented developing countries from honouring those commitments, they should endeavour to pay their contributions as soon as possible thereafter. Member States that had submitted multi-year payment plans were urged to comply with them. With regard to the payment of arrears, Jordan rejected any punitive measures, since the vast majority of States in arrears were developing countries that were unable to pay their contributions owing to extenuating circumstances.

51. **Ms. Wang** Xinxia (China) said that the current scale methodology was the result of long and hard negotiations by the Organization's entire membership. It was based on the principle of capacity to pay and carefully weighed all the factors involved. Maintaining the stability of the scale, and thus minimizing uncertainties, would facilitate the normal functioning of the Organization. Pursuant to resolution 55/5 B, the elements of the scale were fixed until 2006. In the interim the Committee on Contributions should continue to provide its expert opinions and recommendations.

52. The Chinese delegation endorsed the recommendations of the Committee on Contributions on multi-year payment plans, which were useful tools for reducing the arrears of Member States. The plans must be voluntary and not linked automatically to other measures. More countries should follow the example of those which had submitted such plans and implemented them in earnest.

53. With regard to the criteria for ad hoc adjustments of the rates of assessment, since such adjustments had so far occurred only in exceptional and extraordinary cases, it might be very difficult to formulate criteria for the future. The best solution, as suggested in paragraph 14 of the report, might be to proceed on a case-by-case basis.

54. **Ms. Blokar** (Slovenia), speaking on behalf of the successor States to the former Socialist Federal Republic of Yugoslavia, namely, Bosnia and Herzegovina, Croatia, the former Yugoslav Republic of Macedonia, Serbia and Montenegro, and Slovenia, said that the question of the arrears of the former Socialist Federal Republic of Yugoslavia remained unresolved. It was clear from the discussions at the Assembly's fifty-seventh and fifty-eighth sessions that the question entailed a number of legal, financial and political problems. There had been two significant developments, however, since the fifty-eighth session.

55. Firstly, the Agreement on Succession Issues, signed in 2001, had entered into force in June 2004, enabling all successor States to address all outstanding succession-related issues and providing an institutional framework and procedures for dealing with them.

56. Secondly, the five successor States were ready to continue to work constructively to resolve outstanding succession issues at the current session. Work had already been done on the external debt and on the claims of the former Socialist Federal Republic of Yugoslavia against States and organizations. However, a number of technical issues regarding the exact amount of its arrears were still pending. The five successor States wished to clarify those issues before addressing their solution and therefore proposed that the Committee should defer its consideration of the question until the resumed part of the Assembly's current session in March 2005. In the meantime, the Secretariat was requested to meet with representatives of the five successor States to determine the exact amount of the arrears.

57. **Mr. Ganbour** (Libyan Arab Jamahiriya) said that his delegation welcomed the report of the Committee on Contributions, in particular the reference in paragraph 5 to resolution 58/1 B, in which the General Assembly requested the Committee to continue to

review the methodology of future scales of assessments based on the principle that the expenses of the Organization should be apportioned broadly according to capacity to pay. It was regrettable that the Committee on Conferences seemed to give greater weight to technical considerations than to capacity to pay. His country's current assessed contribution was unjust because it did not accurately reflect the adverse economic circumstances experienced by the Libyan Arab Jamahiriya during the previous decade. The principle of capacity to pay must be taken fully into account in the review of the scale methodology in 2006.

58. **Mr. Elji** (Syrian Arab Republic) said that any future changes in the scale methodology must be based on the principle of real capacity to pay and the Committee on Contributions should concentrate on finding the best way to determine that capacity. It should continue to use the PARE method, which was a suitable means of dealing with distortions in the calculation of gross domestic product (GDP). Multi-year payment plans must be voluntary, confined to developing countries, and not linked to any other factors, such as exemptions under Article 19 of the Charter. While States in arrears should certainly be encouraged to present such plans, his delegation had reservations about the discussion in the Committee on Contributions concerning Article 19 exemptions because the Committee had exceeded its mandate by linking exemptions to other conditions or restrictions.

59. The discussion concerning measures to encourage the payment of arrears also gave rise to grave concern. The Committee on Contributions seemed increasingly inclined to engage in substantive debates on topics which clearly fell within the purview of intergovernmental legislative bodies. Any such discussion in the Committee should focus on positive measures of encouragement. The conclusion set out in paragraph 26 of the report was illogical and had moreover been rejected by the General Assembly at its previous session. Nor had the Committee been requested by the General Assembly to discuss the question of budgetary surpluses of peacekeeping operations (para. 29) and its Chairman should state the justification for doing so. His delegation also had reservations about the Committee's discussion of the topic of interest on arrears (paras. 30 and 31), which also fell outside the scope of its mandate.

60. **Mr. Neil** (Jamaica) said that the principle of capacity to pay was applicable to all States. It was encouraging to learn that the Committee on Contributions was looking at various aspects of the methodology for the next scale of assessments. The Committee should heed the lessons of the past and avoid the problems that had arisen in the past as a result of the very significant increases in the assessed contributions of some Member States. The aim should be to avoid volatility and to ensure stability and fairness.

61. Jamaica was not suggesting a return to the "scheme of limits" to prevent excessive increases from one scale to the next, and it had no objection to the criteria for ad hoc adjustments of the rates of assessment set out in paragraphs 11 to 14 of the report. But, given that such adjustments were to be made on a case-by-case basis, he wondered whether the countries concerned would be consulted so that problems could be dealt with before the question came to the Fifth Committee for decision.

62. Some disparities had occurred in the calculation of conversion rates to United States dollars. Jamaica had suffered a 275 per cent increase in the last calculation as a result of a change in the methodology. His delegation was not seeking to change the methodology but would welcome information on how the mysterious statistical devices worked in practice.

63. **Ms. Goicochea** (Cuba) reiterated Cuba's concern at the negative impact of the reduction of the ceiling approved by the General Assembly in resolution 55/5 B, as a result of which some Member States, mainly developing countries, had suffered excessive increases in their assessed contributions. The situation was made worse by the lack of measures to attenuate such variations. Her delegation endorsed the view expressed by the representative of Jamaica that ways must be found to attenuate such big fluctuations.

64. On the question of ad hoc adjustments of the rates of assessment, her delegation agreed with the conclusions of the Committee on Conferences and with the comments made by the representative of China. It was also important to take account of exceptional circumstances, such as the recent severe weather in the Caribbean, which affected countries' real capacity to pay. Such situations should be covered by the criteria for ad hoc adjustments of the rates of assessment.

65. Many of the measures proposed by the Committee on Conferences to encourage the payment of arrears had already been considered by the General Assembly in the context of the High-level Open-ended Working Group on the Financial Situation of the United Nations. Furthermore, many of the proposals were political rather than technical in nature and should be considered under agenda item 110, on "Improving the financial situation of the United Nations". Cuba shared the view expressed by other delegations that multi-year payment plans must remain voluntary and not be used as a punitive measure in connection with requests for exemptions under Article 19 of the Charter.

66. **Mr. Renault** (Brazil) said that the Rio Group associated itself with the statement made by the representative of Qatar on behalf of the Group of 77 and China.

67. **Mr. Iida** (Japan) said that his delegation shared the dissatisfaction expressed by several delegations at the current scale methodology, which should better reflect the status and responsibilities of Member States. However, discussion of the question should not take place until 2006.

68. **Mr. Simancas** (Mexico) said that increases in assessed contributions should reflect economic improvements in the countries concerned. As in the case of Jamaica, the big increase in Mexico's assessed contribution did not reflect improvement in its economy. It was not in the interest of the United Nations that countries which usually paid their contributions on time should have to fall into arrears because of a genuine inability to pay sharply increased contributions.

69. **Mr. Sessi** (Chairman of the Committee on Contributions) assured the Turkish delegation that the use of reliable, verifiable and comparable data in the preparation of the scale of assessments was one of the Committee's major concerns. The Statistics Division collected data directly from Member States and other sources in order to provide the Committee with the best available information. It also cooperated with national, regional and international bodies on statistical matters.

70. He took the point made by the delegation of Qatar and other delegations that the Committee on Contributions should be guided by its mandate as a technical body and he could give an assurance that the Committee would continue to act solely in that capacity. Its members were elected as independent technical experts and its decisions were not influenced by political considerations. The point had been linked by some delegations to the question of whether the Committee had exceeded its mandate in its treatment of Article 19 exemptions. He was not sure that it had. The Committee had certainly discussed at length what was a very delicate issue. The General Assembly had called upon the Committee to give more detailed information and adequate reasons when making its recommendations, but it was difficult to do so without overburdening what was also required to be a short report.

71. On the question of conversion rates, the Committee on Contributions would continue to look at ways of using rates other than market rates in respect of countries in which it detected real problems. Section III of the report mentioned the new idea of relative PAREs. More information on that topic could be provided in informal consultations.

72. In response to the representative of Cuba, since 1998, the Committee on Contributions had been dealing with the question of measures to encourage the payment of arrears on the basis of the instructions received from the Fifth Committee. The Committee on Contributions was an advisory body and it was for the Fifth Committee to indicate to it which subjects it should work on.

Agenda item 112: Pattern of conferences (*continued*) (A/58/435 and Add.1 and A/58/620; A/59/32; A/59/133 and Corr.1; A/59/159 and Add.1; A/59/172 and A/59/418)

73. **Ms. Kane** (Assistant Secretary-General for General Assembly and Conference Management), replying to questions raised at the Committee's 8th meeting, held on Thursday, 14 October 2004, said that, as stated in paragraph 27 of the report of the Secretary-General on reform of the Department for General Assembly and Conference Management (A/59/172), compliance with the six-week rule for the issuance of documents remained the Department's final goal. However, its full achievement would require a period of adjustment. In order to track progress during that period, the Department had established an interim goal of issuing documents at least four weeks before they were due for consideration by intergovernmental bodies. Ultimately, when the necessary adjustments had been made, reports would include only information

on compliance with the six-week rule. There had been a significant improvement in that regard, the rate of compliance having increased from 40 per cent at the main part of the fifty-seventh session of the General Assembly to 50 per cent at the main part of the fifty-eighth session. Previously, timeliness had been measured against the starting date of the session, whereas, under the slotting system, the reference point was the date on which documents were due for consideration. For the General Assembly, those dates were staggered over a 13-week period. Consequently, it would only be possible to report on the overall compliance rate at the end of the main part of the current session. Statistics on compliance with both the four-week and six-week targets during the periods 1 January to 30 June 2003 and 1 January to 30 June 2004 were presented in paragraph 28 of document A/59/172.

74. The Secretary-General reported annually on the availability of documentation for a core sample of bodies. The relevant data was contained in annex I to the report of the Secretary-General on the pattern of conferences (A/59/159). With regard to the Main Committees of the General Assembly, as at 15 October 2004, the rate of compliance with the six-week rule had ranged from 24 per cent for the Second Committee to 64 per cent for the Sixth Committee. The 55-per-cent rate for the Fifth Committee did not take account of the reports of the Advisory Committee, which were considered in-session documentation. Overall, 263 reports had been issued, of which 131, or 50 per cent, had been available six weeks before their respective dates of consideration.

75. The recent abolition of 13 posts in the Publishing Section following the introduction of printing on demand (A/59/172, para. 35) had taken place in the context of the changes proposed in paragraph 2.46 of section 2 (General Assembly affairs and conference services) of the programme budget for the biennium 2004-2005 (A/58/6). There was no explicit reference to the post reductions in paragraph 2.12, the purpose of which was to give a broad outline of the resource changes in the budget proposals for the Department as a whole. She wished to emphasize that no staff member had been separated as a result of the restructuring of the publishing services. Other benefits yielded by the introduction of printing on demand included a reduction in paper usage worth $5,000 per month. There was essentially no time lag between the posting of documents on the Official Document System (ODS) and the distribution of hard copies, since no document was posted on ODS until it had been printed in all six official languages. Hard copies of documents were normally available for pick-up on the morning after they were printed.

76. The concerns expressed about the scheduling overlap in April 2005 between the twentieth session of the Governing Council of the United Nations Human Settlements Programme (UN-Habitat) and the thirteenth session of the Commission on Sustainable Development had prompted the Committee on Conferences to call for a long-term solution to prevent such conflicts. In the meantime, the Commission on Sustainable Development had undertaken to rearrange its programme of work to facilitate participation in its activities by delegates to the Governing Council of UN-Habitat while maintaining the dates of the session. The Governing Council was to discuss the matter on Tuesday, 19 October 2004.

77. The Secretariat's long-term strategy to tackle the persistent vacancies in language service posts at the United Nations Office at Nairobi (UNON) was yielding results, the vacancy rate in interpretation having fallen from 35 per cent in 2002 to 25 per cent in 2004. One reason for the large number of vacancies was the high turnover of staff in Nairobi. In order to address that problem, the Administration of UNON was actively advertising vacant posts. The Arabic booth would benefit from the outcome of the recent competitive examination for interpreters. The policy of encouraging mobility would also assist in filling vacancies. There had been steady progress in the utilization of the conference facilities in Nairobi. UNON was aggressively marketing its conference services and facilities and was reaching out to other United Nations offices in Africa. Those efforts were fully supported by the Executive Directors of the United Nations Environment Programme and UN-Habitat and by the Government of Kenya.

78. Lastly, interpretation services had in fact been provided for the 459th meeting of the Committee on Conferences. However, there had been an interruption in the transmission of the interpretation to persons participating in the meeting via videoconference.

79. **Mr. Ngomuo** (Information Technology Services Division, Office of Central Support Services) said that, currently, there were six access levels to ODS. Levels 1

to 4 allowed access to derestricted documents, documents for general distribution, documents in limited copies and provisional documents. When free, public access to ODS was implemented, only the aforementioned documents would be freely available. Access to documents at levels 5 and 6, specifically, documents meant for distribution to participants only and restricted documents, would require a password.

80. **Ms. Goicochea** (Cuba) said that her delegation would be grateful if the answers given by the Assistant Secretary-General could be provided in writing prior to the consideration of the item in informal consultations. The proposal to abolish 13 posts in the Publishing Section represented a significant reduction and should have been included in paragraph 2.12 of section 2 (General Assembly affairs and conference services) of the programme budget for the biennium 2004-2005 (A/58/6), which, as the Assistant Secretary-General had stated, dealt with the main resource changes in the budget proposals for the Department.

81. **Mr. Elji** (Syrian Arab Republic) expressed support for the request made by the representative of Cuba. He would appreciate it if the answers on ODS, too, could be provided in writing, since the system of access levels was still not clear to his delegation. He trusted that an official from the Information Technology Services Division would be available to respond to delegations' queries whenever the matter was discussed.

82. **The Chairman** said that all the answers given at the meeting would be provided in writing.

Other matters

83. **Mr. Toh** (Assistant Secretary-General for Central Support Services), replying to a question put by the representative of Egypt at the Committee's 10th meeting, said that none of the staff members and delegates with whom he had spoken had reported inordinate delays in entering the United Nations garage. Currently, five security officers were deployed at the entry points to the garage, including two two-person teams performing undercarriage detection in the lanes leading from the 48th Street and FDR Drive entrances.

84. **Mr. Elnaggar** (Egypt) said that sounding out staff members and delegates informally was not the best means of establishing whether there were problems with access to the garage. The Administration should collect specific data on the number of vehicles entering the garage, including at peak times, and the average length of time taken to perform the security checks. He also wished to know whether vehicles belonging to delegates and staff members were treated in the same manner as commercial vehicles. He would continue to raise the issue until he received satisfactory answers to those questions.

85. **Mr. Tal** (Jordan) asked what could be done to address the problem of double-parking in the garage.

86. **Mr. Wins** (Uruguay) said that, between 9 and 10 a.m., the normal waiting time for drivers wishing to enter the garage was 30 minutes. Sometimes, the line of cars stretched as far as the FDR Drive, creating a serious traffic hazard. The Administration should raise the matter with the local authorities. In addition, it should ensure that more security officers were deployed at the entry points at peak times and that there was separate access for commercial vehicles.

87. **Mr. Elji** (Syrian Arab Republic) welcomed the proposals just made, adding that, at peak times, delegates should be able to enter the garage via the 43rd Street entrance.

88. **Mr. Toh** (Assistant Secretary-General for Central Support Services) said that, in addition to the usual security checks, commercial vehicles were subject to inspection by the Canine Unit. They were not permitted to enter the garage during the peak hours of 9 to 10 a.m. The Administration was in constant touch with the local authorities concerning the traffic situation. The basic problem was that the infrastructure had not been designed for the large number of vehicles now entering the Headquarters complex. In addressing the issue, the Administration had to balance the free flow of traffic with security requirements. While it tried to take account of traffic patterns, they were not always predictable. With regard to the proposal that more security officers should be deployed at the entry points to the garage, he noted that an additional 88 security officers had been requested in the context of the strengthening security projects. Currently, there were fewer officers than in 1987 owing to attrition over the years of zero growth and budget reductions. He would carefully consider all the comments made by delegations and would return to the Committee with specific proposals at a later date.

89. **Mr. Elnaggar** (Egypt) said that it was important to verify the accuracy of information before presenting it to the Committee. He noted, by way of example, that, despite the Assistant Secretary-General's assurances, he had witnessed commercial vehicles entering the premises between 9 and 10 a.m.

The meeting rose at 1 p.m.